

DOCKET SECTION

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

Postal Rate and Fee Changes, 1997

Docket No. R97-1

RESPONSE OF ADVERTISING MAIL MARKETING ASSOCIATION  
WITNESS SCHICK TO INTERROGATORIES OF  
UNITED STATES POSTAL SERVICE  
(USPS/AMMA-T-1-2)

The Advertising Mail Marketing Association ("AMMA") hereby provides the responses of witness Joseph E. Schick to the following interrogatories of the United States Postal Service, filed on January 27, 1998: USPS/AMMA-T-1-2.

The interrogatories are stated verbatim and followed by the responses.

Respectfully submitted,



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February 9, 1998

**RESPONSE OF WITNESS SCHICK (AMMA-T1)  
TO POSTAL SERVICE INTERROGATORIES**

USPS/AMMA-T1-2. Please see your testimony at page 6, line 19, through page 7, line 3, where you recommend that, at the very least, the rates advanced by AMMA witness Andrew be adopted.


- a. Is it your understanding that witness Andrew's proposal would decrease the current differential between the per piece discounts for DBMC and DSCF from 0.5 cent per piece to 0.4 cent per piece? If that is not your understanding, please explain.
- b. Is it your understanding that witness Andrew's proposal would result in an increase (versus the Postal Service proposed rates) of 1/2 cent per piece for non-destination entry, piece-rated ECR pieces? If that is not your understanding, please explain.
- c. Is it your understanding that witness Andrew's proposal would result in an increase (versus the Postal Service proposed rates) of 1/10th of one cent for DBMC-entered piece-rated ECR pieces? If that is not your understanding, please explain.
- d. Is it your understanding that witness Andrew's proposal would result in no change (versus the Postal Service proposed rates) for DSCF- or DDU- entered piece-rated ECR pieces? If that is not your understanding, please explain.

Response:

- a. I did not perform the calculations set forth in witness Andrew's testimony. I understand that he has confirmed the correctness of this calculation in his response to Postal Service interrogatories. I note that the question compares the DBMC/DSCF differential in terms of current rates and the rates proposed by witness Andrew. Under the rates proposed by the Postal Service the differential would have been 0.3 cent. We were advised that it would be possible to readjust rates in order to maintain the current 0.5 cent differential but that this readjustment would have required that some of the drop entry discounts be set at less than 100% of cost savings and that such a result would be inconsistent with Commission policy. That is why my testimony urges that "at the very least" the rates advanced by witness Andrew be adopted.
- b. I did not perform the calculations set forth in response to this question but I understand that witness Andrew has confirmed the correctness of this result.
- c. I did not perform the calculations set forth in response to this question but I understand that witness Andrew has confirmed the correctness of the calculations set forth in this interrogatory.
- d. I did not perform the calculations set forth in response to this question but I understand that witness Andrew confirmed the correctness of the calculations set forth in response to this question.

**DECLARATION**

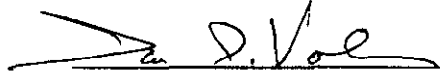
I, Joseph E. Schick, declare under penalty of perjury that the foregoing answers  
are true and correct, to the best of my knowledge, information, and belief.

  
Joseph E. Schick

Dated: 2/9/98

**CERTIFICATE OF SERVICE**

I hereby certify that I have on this date served this document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

  
Ian D. Volner

DATE: February 9, 1998